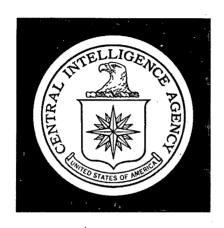
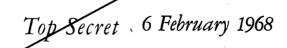
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The President's Daily Brief



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DAILY BRIEF 6 FEBRUARY 1968

1. South Vietnam
(as of 5:00 AM
EST)

Heavy fighting broke out again last night in the outlying Cholon section of Saigon, where the Viet Cong overran a national police precinct head-quarters. There are signs that the Communists are moving fresh forces into the capital area.

US and South Vietnamese troops are slowly increasing their control in Hue. In much of the countryside, the Communist offensive is losing steam. Significant enemy concentrations and battle preparations, however, point to the possibility of a renewal of widespread military activity.

Most elements of the government are now pulling together to deal with the crisis. Thieu has been uncharacteristically firm. Some members of the upper house are striking sour notes, however, and may press for an investigation as to why the government was not better prepared for the Tet offensive.

2. Korea

Seoul continues to boil over what it considers US failure to consult on how to handle the Pueblo incident. There was a small anti-American demonstration yesterday, along with threats of bigger ones.

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Yesterday the North Korean radio broadcast a fifth "confession" from a Pueblo crewman which, like previous ones, expressed "guilt" over and apologized for intrusion into North Korean waters.

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Arab leaders are getting fed up with UN emissary Jarring. They say he simply travels from capital to capital without coming up with any new proposals—while Israel digs in deeper in the occupied areas. The Jordanians, pointing to recent Israeli moves around Jerusalem, are threatening to go back to the Security Council unless Jarring does something.

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4. Egypt

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Since June the role of Soviet advisers has progressed from test flying newly arrived planes to instructing on tactics to flying operational patrols. Egyptian officers are said to resent all this as a slur on their ability and Egypt's sovereignty.

5. Yemen

The military stalemate continues, despite royalist claims that Sana is surrounded, all roads cut, and "the ring closing tighter." The royalists admit that the republicans seem to have plenty of ammunition and that republican air strikes, although fewer, are still hampering royalist operations.

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6. Panama

The campaign is getting nastier. Samudio's forces virtually control the government machinery, and he may get both the electoral tribunal and the National Guard in his corner. If he does, backers of the popular Arnulfo Arias will be tempted to resort to violence.

7. United Kingdom

Embassy London, in assessing the economic situation since devaluation, believes the government's program is basically sound. The embassy feels, however, that implementation is seriously threatened by the uneasiness of the financial community, business, and labor, as well as declining public confidence in the government and the prime minister.

Potentially troublesome parts of the program, such as reduction of private domestic consumption and clampdowns on wage and price increases, have not yet been announced. Approved for Release: 2019/01/17 C05974263

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FOR THE PRESIDENT'S EYES ONLY

Special Daily Report on North Vietnam

Top Secret

3.5(c)

166 February 1968

Special Daily Report on North Vietnam for the President's Eyes Only

6 February 1968

I. NOTES ON THE SITUATION

The Hanoi Scene: The following are observations	3.3(h)(2)
three surface-to-air missiles flying horizontally on 15 January. they probably hit around Gia Lam where, "the damage done by their mishandling" would be blamed on the US.	3.3(h)(2 3.3(h)(2)
It takes 15 days to get a letter from HaiphongThere was a big recruiting drive in Hanoi in January.	
the Chinese, Cuban, and Ko-	3.3(h)(2)
rean embassies are digging bigger and better air raid shelters. The Chinese, are preparing not only for the flattening of Hanoi, but for the possible use of atomic weapons as well.	3.3(h)(2)

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Hanoi Again Rejects San Antonio Formula: In its first statement on negotiations since the beginning of the Communist offensive in the South, Hanoi has issued a routine rejection of the San Antonio formula and President Johnson's 1 February comments on the prospects for settling the war. A commentary in the party daily Nhan Dan broadcast on 5 February claimed that the US was still "setting conditions" by demanding "reciprocity" and urging the Vietnamese people to pay a price by stopping or slowing down the "patriotic struggle." This demand, the commentary alleged, was the essence of the San Antonio formula and repeated by the President on 1 February.

Hanoi made no direct connection between events in the South and the question of negotiations. The broadcast also made no mention of recent remarks by US officials on the reciprocity aspect of the San Antonio formula.

TOP SECRET

French Correspondent Reports on Strategy: A 4 February dispatch from the French correspondent in Hanoi describing Communist objectives in the current military offensive appears to be another North Vietnamese - inspired story. The newsman, Bernard Cabanes, claims that the Viet Cong and Hanoi are more elated about the political results of their five-day offensive in South Vietnam than they are about its military success. Quoting unidentified sources in Hanoi, Cabanes says that the fighting in South Vietnam is only the beginning of a "new phase of struggle" and that it will be weeks before the political gains of their new offensive can be evaluated.

Besides the battles for large towns which have been publicized, the Communists claim to have "swept into many small towns and villages" throughout the country. The plan, according to this news analysis, is to hold territory where possible and set up new administrative units. Where the ground cannot be held, their objective is to destroy the local government structure.

This analysis is a reasonable approximation of Communist strategy in last week's attacks. Cabanes' material is always censored and frequently inspired. This kind of interpretation enables Hanoi to capitalize on the potential political disruption of the offensive and at the same time makes allowances for military reverses.

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Giap Reported in Hanoi: The French correspondent also reports that General Giap was in Hanoi during Tet. There has been persistent speculation in the Western press that he was personally leading troops around Khe Sanh.

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Shipping Report: Cargo deliveries to North Vietnam by foreign flag ships in January totaled about 192,300 tons, some 45,000 tons more than the previous monthly record import level set in May 1967. Large deliveries of foodstuffs, fertilizer, and petroleum accounted for the increase.

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Light transport aircraft of this type--modified for ground attack--bombed a radar facility in Laos on 12 January. The attack was not a success, and one of the two attacking planes was shot down. It is possible, however, that the AN-2s are preparing for a second raid on the same facility. (It supports US air operations against North Vietnam.) On the other hand, there are tenuous indications that the AN-2s could be directed against allied forces in the vicinity of the Demilitarized Zone.

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International Control Commission Still Reluctant to Fly: The ICC aircraft will not make today's scheduled flight to Hanoi where it was to pick up the three American pilots the North Vietnamese are releasing. The aircraft is based at Saigon (it makes stops at Phnom Penh and Vientiane en route to Hanoi) and the security situation has put the ICC Saigon secretariat temporarily out of action. The ICC hopes to make the next scheduled flight on Friday.

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II. NORTH VIETNAMESE REFLECTIONS OF US POLITICAL ATTITUDES ON THE WAR

Nothing of significance to report.

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